

In the claims:

For the convenience of the Examiner, all claims whether or not amended are presented below.

Please cancel, without prejudice, claim 70.

1-60. **(Cancelled)**

61. **(Currently amended)** A method for identifying an agent which decreases hedgehog signal transduction for ameliorating an effect of loss of function of a patched gene in a mammalian cell, comprising (i) contacting a hedgehog protein with a mammalian cell in culture that expresses a wild-type patched protein, (ii) contacting one or more test agents with said a mammalian cell, in culture that expresses a wild-type patched protein and (iii) identifying one or more test agents that decrease the level of hedgehog signal transduction relative to the absence of test agent, wherein an agent that decreases hedgehog signal transduction is useful for ameliorating an effect in a mammalian cell characterized by loss of function of a patched gene.

62. **(Currently amended)** A method for identifying an agent for ameliorating an effect of loss of function of a patched gene in a mammalian cell, comprising (i) contacting a hedgehog protein with a mammalian cell in culture characterized by an increased level of hedgehog signal transduction, (ii) contacting one or more test agents with said a mammalian cell, in culture characterized by loss of function of a patched gene and (iii) identifying one or more test agents that decrease the level of hedgehog signal transduction increase patched activity relative to the absence of test agent, wherein an agent that decreases the level of hedgehog signal transduction increases patched activity is useful for ameliorating an effect in a mammalian cell characterized by loss of function of a patched gene.

63-70. **(Cancelled)**

71. **(Previously presented)** The method of claim 61 or 62, wherein the cell characterized by a loss of function of a patched gene is a basal cell carcinoma cell.

72-80. (Cancelled)

81. (Currently amended) A method for preparing an agent for inhibiting growth of cells characterized by loss of function of a patched gene, comprising:

- a. contacting a hedgehog protein with a mammalian cell that expresses a wild-type patched protein, contacting one or more test agents with said a mammalian cell, that expresses a wild-type patched protein and identifying test agents that decrease the level of hedgehog signal transduction relative to the absence of test agent;
- b. contacting a hedgehog protein and test agents identified in step (a) with a mammalian cell having a loss of function of a patched gene, wherein said cell is a basal cell carcinoma cell, and selecting those test agents that inhibit growth of mammalian cells having a loss of function of a patched gene; and
- c. preparing a formulation including a test agent that inhibits the growth of mammalian cells selected in step (b) and a pharmaceutically acceptable diluent.